

## Message Text

CONFIDENTIAL

PAGE 01 MANILA 12196 010014Z

64

ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

ACDA-05 EB-07 COME-00 OMB-01 TRSE-00 A-01 /070 W

----- 043143

R 300530Z AUG 75

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 7078

C O N F I D E N T I A L MANILA 12196

E.O. 11652: GDS

TAGS: MARR, RP

SUBJECT: SUMMARY OF BROCHURE ON PROPOSED PHILIPPINE USE OF  
SUBIC, CLARK AND JOHN HAY BASES

REF: (A) STATE 206810

(B) MANILA A-238

(C) MANILA 11591

1. THIS MESSAGE SUMMARIZES BROCHURE ON BASES ENTITLED  
"IMPERATIVES OF CHANGE" PROVIDED SENATOR MANSFIELD ON AUG 19  
AS REQUESTED REF A. (FULL TEXT POUCHED AUG 25 UNDER COVER REF  
B.) FOLLOWING SHOULD BE KEPT IN MIND:

(A) MELCHOR HAS STRESSED TO AMBASSADOR THAT BROCHURE (PRE-  
PARED BY HIS OFFICE OF MANAGEMENT OF DEVELOPMENT) IS NOT A NEGO-  
TIATING DOCUMENT. HOWEVER, BROCHURE DOES, WE BELIEVE, EXPRESS  
LONG-TERM PHILIPPINE ECONOMIC INTERESTS IN THE BASES AND COULD  
INFORM THE ULTIMATE NEGOTIATING POSITION OF THE GOP.

(B) BROCHURE IS FULL OF INACCURACIES AND DOES NOT RPT  
NOT GO BEYOND SKETCHIEST DETAIL IN DELINEATING ADMINISTRATIVE  
ARRANGEMENT. MUCH OF IT IS REPETITION OF GOP PUBLIC RHETORIC  
ON IMPERATIVE TO END "EXTRA-TERRITORIALITY", ETC.

(C) BROCHURE CARRIES NO ATTRIBUTION AND COULD THERE-  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MANILA 12196 010014Z

FORE BE READILY DISAVOWED BY GOP. MELCHOR AND OTHERS ON

HIS STAFF HAVE ASSURED US THAT BROCHURE WILL NOT BE PUBLICLY CIRCULATED. HOWEVER, WE KNOW THAT PRESS RUN OF PRELIMINARY EDITION (ALLEGEDLY DESTROYED) WAS FOR 1,000 COPIES AND THAT DEPARTMENT OF FOREIGN AFFAIRS HAS COPIES OF NEW VERSION. WE STRONGLY SUSPECT THAT BROCHURE WILL BE SENT TO US SENATORS AND CONGRESSMEN.

2. BROCHURE BEGINS WITH PHOTOS OF PRESIDENT WITH INTERNATIONAL LEADERS (INCLUDING MAO) INTERSPERSED WITH FAMILIAR PRONOUNCEMENTS EMPHASIZING "NEW LOOK" IN FOREIGN RELATIONS. POSITION ON BASES DEFINED (FROM MARCOS SPEECH OF JULY 7) AS END OF EXTRA-TERRITORIALITY AND "WILLINGNESS TO GO INTO MUTUALLY ACCEPTABLE ARRANGEMENTS THAT WOULD ENABLE THE UNITED STATES TO CONTINUE MAINTAINING ITS EFFECTIVE POWER PRESENCE IN THE WESTERN PACIFIC." (P. 12 OF BROCHURE).

3. FOLLOWING PAGES CONTAIN DESCRIPTIVE DATA ON SEVEN MAJOR US MILITARY RESERVATIONS. FIGURES OFTEN INACCURATE (E.G. US BASE EXPENDITURE FOR 1975 LISTED AS \$82,703,100 WHICH IS HALF A ACTUAL FIGURE.) DISCUSSION OF EMPLOYMENT IMPACT ON PHILIPPINE ECONOMY ASSUMES INCORRECTLY THAT MAIN US BASES LIKELY TO SHIFT TO GUAM AND TINIAN "PLACING SECURITY OF 47,000 FILIPINOS IN QUESTION". PAPER THEN ENUMERATES GOP NATIONAL DEVELOPMENT GOALS (FOOD PRODUCTION, DISPERSED INDUSTRIALIZATION, TOURISM, ETC.) AND OPINES THAT "RESOURCES/FACILITIES OF US BASES CAN BE GEARED IN SAME DIRECTION WITHOUT SACRIFICING THE ORIGINAL INTENTIONS FOR WHICH THEY WERE SET UP". IN RARE APPROACH TO SPECIFICITY (P. 20) PAPER SAYS GOP "PROPOSES" THAT:  
QUOTE: 1. CONTROL AND ADMINISTRATION OF PRESENT U.S. MILITARY BASES IN THE PHILIPPINES BE IMMEDIATELY TRANSFERED TO THE PHILIPPINE GOVERNMENT;

2. THE RESOURCES AND FACILITIES IN THESE BASES AREAS BE UTILIZED FOR JOINT MILITARY AND COMMERCIAL PURPOSES IN ORDER TO DRAW MAXIMUM BENEFITS FROM THEM;

3. THE U.S. MILITARY FORCES IN THE REGION BE GUARANTEED ACCESS, AND IN SOME CASES, EXCLUSIVE USE, OF FACILITIES AND AREAS  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MANILA 12196 010014Z

WITHIN THE BASE RESERVATIONS TO ENABLE THEM TO PERFORM THEIR DUTIES EFFECTIVELY IN THE AREA.

THUS IT IS PROPOSED THAT CLARK AND SUBIC BE DEVELOPED AS COMMERCIAL-MILITARY COMPLEXES WHILE JOHN HAY WILL BE TURNED INTO A TOURIST ESTATE OR RESORT.

CLARK WILL BE DEVELOPED AS A PASSENGER/CARGO AIR TERMINAL

AND TRANS-SHIPMENT POINT FOR DOMESTIC AND INTERNATIONAL TRAFFIC;  
A MAJOR AIRCRAFT MANUFACTURING, REPAIR AND MAINTENANCE FACILITY;  
A CENTER FOR OTHER INDUSTRIAL ACTIVITY; AND A SITE FOR  
CORPORATE FARMING PROJECTS.

SUBIC ON THE OTHER HAND WILL BE DEVELOPED AS A MAJOR SHIP-  
REPAIR/SERVICE COMPLEX, OFFSHORE SUPPLY BASE, ANCHORAGE AREA  
FOR LAID-UP TANKERS, AND AS A SITE FOR ELATED INDUSTRIES.

IN BOTH AREAS, JOINT PHILIPPINE-U.S. MILITARY USE OF CER-  
TAIN FACILITIES WILL BE EXERCISED. WHERE THE U.S. REQUIRES  
EXCLUSIVE USE OF SPECIFIC FACILITIES OR AREAS, SUCH WILL BE  
ALLOWED.

AN UNDERLYING PREMISE OF THE PROPOSED ARRANGEMENTS IS,  
THEREFORE, THAT THE U.S. WILL BE ASSURED BASING FACILITIES  
IN THESE AREAS. END QUOTE.

4. BALANCE OF PAPER CONTAINS MORE DETAILED DESCRIPTIVE  
SECTIONS ON SUBIC, CLARK AND JOHY HAY, WITH "CONCEPT OF DEVEL-  
OPMENT" FOR EACH. PROJECTED "CONVERSION" IN EACH CASE DIVIDED  
INTO "PHASE I" (IMPLEMENTABLE WITHIN A YEAR) AND PHASE II (3  
TO 4 YEAR TIME FRAME). MAIN POINTS AS FOLLOWS:

(AL SUBIC: PHASE I INCLUDES TRANSFER OF ADMIN RESPON-  
SIBILITIES TO GOP, DEVELOPMENT OF OFFSHORE SUPPLY  
BASE FOR COMMERCIAL OIL EXPLORATION, ESTABLISHMENT OF OPEN  
BERTH AREA FOR LAID UP TANKERS, ETC. PHASE II WOULD SEE EX-  
PENDED COMMERCIAL USE ALL PHASES OF MARITIME FACILITIES. TEXT  
STATES THAT DURING PHASE I THE U.S. "WILL BE PERMITTED TO MAIN-  
TAIN ITS OWN" SECURITY FORCES OVER CRITICAL AREAS AS FACILI-  
TIES, E.G. THE NAVAL MAGAZINE OR THE POL TANK FARM." HOWEVER,  
IN PHASE II NAVAL MAGAZINE "SHALL BE PLACED UNDER FULL CON-  
FIDENTIAL

CONFIDENTIAL

PAGE 04 MANILA 12196 010014Z

TROL OF PHILIPPINE NAVY." SUBIC WOULD BE DIVIDED INTO TWO  
AREAS. AREA NORTH OF BOUNDARY RUNNING FROM MARITAN POINT  
SOUTHEAST ALONG BOTON RIVER WOULD BE REGION DEVOTED TO COM-  
MERCIAL USE, WHILE AREA TO SOUTH WOULD BE PRINCIPALLY MILITARY  
COMPLEX "UNDER THE DIRECT ADMINISTRATION OF THE PHILIPPINE  
NAVY." DURING PHASE II GOP "COULD" TAKE OVER FULL  
RESPONSIBILITY FOR MAINTENANCE OF ENTIRE BASE AREA,  
MEANING THAT PUBLIC WORKS CENTER WOULD BE PLACED UNDER  
MANAGEMENT AND CONTROL OF QUALIFIED FILIPINOS. PHASE II  
INCLUDES KAWASAKI SHIP REPAIR FACILITY.

(B) CLARK. PHASE I INCLUDES AGRICULTURAL DEVELOPMENT  
ON "IDLE LANDS" (MANGO ORCHARDS, FEEDGRAINS, SUGAR CANE, ETC.)  
PLUS DEVELOPMENT OF AIR MAINTENANCE AND AIR CARGO FACILITIES.  
PHASE II INCLUDES DEVELOPMENT OF INDUSTRIAL PARK. EVENTUALLY

("LONG TERM") CLARK WILL BE DEVELOPED AS INTERNATIONAL AIRPORT IN LIEU OF MANILA INTERNATIONAL AIRPORT. CLAIM IS MADE THAT WITH COMPLETION OF NORTH DIVERSION ROAD, SITE WILL BE ONLY 45 MINUTES AWAY FROM MANILA. "BASE PROPER" WILL BE "USED JOINTLY" BY PHILIPPINE MILITARY AND U.S. FORCES. U.S. FORCES MAY HAVE "EXCLUSIVE USE OF CERTAIN FACILITIES, WHICH SHALL BE DETERMINED BY MUTUAL AGREEMENT."

(C) JOHN HAY. PLAN IS TO UPGRADE PRESENT RECREATION FACILITIES INTO "MAJOR TOURIST AND RECREATIONAL COMPLEX UNDER INTERNATIONAL CORPORATE MANAGEMENT." TEXT STATES GRATUITOUSLY THAT GOP IS "READY AT ANY TIME FOR THE TOTAL TURNOVER OF JOHN HAY AIR BASE AND WILL BE WILLING TO NEGOTIATE WITH U.S. GOVERNMENT FOR POSSIBLE RETENTION OF U.S. COMMUNICATION FACILITIES AND AMBASSADOR'S RESIDENCE" IGNORING FACT THAT USG HAS CLEAR TITLE TO RESIDENCE.

6. AS NOTED ABOVE, FULL TEXT ENCLOSED REF B.  
SULLIVAN

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** izenbei0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975MANILA12196  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750301-0936  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975082/aaaaaayq.tel  
**Line Count:** 188  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 206810  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** izenbei0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 JUL 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23 JUL 2003 by CunninFX>; APPROVED <20 NOV 2003 by izenbei0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SUMMARY OF BROCHURE ON PROPOSED PHILIPPINE USE OF SUBIC, CLARK AND JOHN HAY BASES  
**TAGS:** MARR, RP, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006